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S E C R E T TAIPEI 003139

SIPDIS

STATE FOR EAP/RSP/TC, NP/ECNP - KESSLER/MACLURE

E.O. 12958: DECL: 07/22/2025

TAGS: [TSPA](#) [PREL](#) [ETTC](#) [KSCA](#) [TW](#) [ESTH](#)

SUBJECT: TAIWAN: ADVANCED SATELLITE REMOTE SENSING SPACE COOPERATION

REF: STATE 132849

Classified By: AIT Director Douglas H. Paal, Reason 1.4 b and d

1. (S) Summary. AIT ESTOFF met with National Space Program Office (NSPO) Director Lance Wu on July 22 to deliver reftel demarche. Taiwan has already approved a budget to purchase remote sensing images. Taiwan plans to "co-own" images rather than to lease them. Taiwan does not plan to hold an open bid, but will instead independently and non-competitively select a U.S. image service company with which to work. Taiwan is very anxious about keeping the project as low profile as possible. Taiwan is not interested in a synthetic aperture radar (SAR) at this time. Wu proposed holding further consultations in Washington at the end of August. End Summary.

Budget Approved for U.S. Image Service Company

2. (S) AIT ESTOFF met with NSPO Director Lance Wu on July 22 to deliver reftel demarche. Wu stated that all decisions on the purchasing of a remote sensing system are made by a Committee of the National Security Council (NSC). Wu reported that the NSC committee had met on July 21 and approved funding for the entire budget request for the purchase of an advanced satellite remote sensing system. He also stated that Taiwan is committed to work with a U.S. company and is not considering working with other countries. Taiwan also does not plan to conduct an open bid for the project. Taiwan is very concerned with keeping the project as low profile as possible. Taiwan is concerned about criticism by the PRC and therefore wants to limit the number of outside players involved. To this end, Wu revealed that Taiwan has decided to work with an image service company (such as Digital Grove or Space Imaging) rather than with a manufacturer. Wu noted that the company with which it would like to work will be decided independently and non-competitively by another meeting of the an NSC Committee on August 15. He urged in strongest terms that Washington not disclose any of the above information to anyone in the private sector.

Draft Agreement

3. (S) Wu briefly glanced at the draft agreement. He expressed surprise that it proposed that Taiwan would lease a remote sensing system. Taiwan does not plan on leasing the images. Taiwan's vision is that it would "co-own" the remote sensing images with the U.S. company from which it partners for this project. Specifically Taiwan would own all of the images of Taiwan and the PRC while the US partner company would own all of the images of the rest of the world, which the U.S. company would have the right to sell on the open market.

4. (S) Regarding the sections on a SAR remote sensing space system, Wu noted that this was beyond Taiwan's sights at this point. Nonetheless, Wu did sound intrigued by the possibility of a SAR as a next step once a commercial remote sensing arrangement is up and running.

5. (S) Regarding the overall draft agreement, Wu noted concerns about keeping the information confidential. He was worried that not everyone in TECRO could be trusted (Wu implied that he had concerns about information getting leaked to the PRC). Unfortunately, Wu left for meetings in Europe on entirely different issues on Saturday July 23 and will not return to Taiwan until August 5. Wu promised to read over the Agreement and to provide more comprehensive comments to AIT's ESTOFF upon his return.

Consultations

6. (S) Wu proposed that consultations about the draft agreement and Taiwan's plans to purchase a remote sensing system be held in Washington in late August. Wu is scheduled to be in Colorado beginning on August 22 to discuss the COSMIC program between NSF and Taiwan's National Science Council (under the auspices of AIT/TECRO). He proposed that he fly to DC following those meetings to discuss these issues.

